

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,
ex rel. CASSIE BASS,
and STATE OF MICHIGAN,

Case No. 2:08cv13827

Plaintiffs,

Hon. John Corbett O'Meara
United States District Judge

v.

WALGREEN CO., d/b/a WALGREENS
PHARMACY, a foreign corporation,

FILED IN CAMERA
AND UNDER SEAL

Defendant.

**UNITED STATES' NOTICE OF INTERVENTION AND FEDERAL
SETTLEMENT AND REQUEST FOR PARTIAL DISMISSAL**

Pursuant to the False Claims Act, 31 U.S.C. § 3730(b)(2) and (4), the United States hereby notifies the Court of its decision to intervene in the above-captioned case. The United States also hereby notifies the Court that the United States, Walgreen Co. ("Walgreens"), and Relator Cassie Bass ("relator") have reached a settlement of the claims under the federal False Claims Act, 31 U.S.C. § 3929, *et seq.*, in the above-captioned case and that the federal claims against Walgreens should be dismissed pursuant the terms of the settlement agreement between the parties.

The relator, through her counsel, consents to the dismissal of all federal claims against Walgreens as to the relator with prejudice. The dismissal as to the United States is limited to all civil or monetary claims the United States has under the False Claims Act, 31 U.S.C. §§3729-3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§3801-3812; or the common law theories of payment by mistake, unjust enrichment, and fraud for the following conduct: Walgreens' allegedly offering and/or

providing improper inducements, in the form of gift cards, gift checks, and similar promotions, to the beneficiaries of the government health plans in order to influence their decision to transfer prescriptions to Walgreens pharmacies between January 1, 2005 and June 11, 2010. The dismissal of the United States is without prejudice as to all other claims.

A separate agreement between Walgreens and the State of Michigan concerning the allegations under the Michigan False Claims Act statute is expected to be reached in the next few weeks. Counsel for the State of Michigan has indicated that Michigan has no objection to the unsealing of the above-captioned case at this time and will notify the Court upon settlement of the Michigan False Claims Act claims.

Accordingly, the United States requests that the Complaint filed in this action, this Notice, and the attached proposed Order be unsealed. The United States requests that all other papers on file in this action remain under seal because in discussing the content and extent of the United States' investigation, such papers are provided by law to the Court alone for the sole purpose of evaluating whether the seal and time for making an election to intervene should be extended.

The relator, through counsel, consents to the request for dismissal of all claims under the federal False Claims Act, 31 U.S.C. § 3729, *et seq.*, against Walgreens in this action with prejudice as to the relator and the request for the lifting of the seal in this case but requests that the Court retain jurisdiction to enforce the terms of the settlement agreement between the parties. A proposed Order accompanies this Notice.

Respectfully submitted,

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Date: April 12, 2012

CERTIFICATION OF SERVICE

I hereby certify that I have served: (1) relator's counsel, **Patricia A. Stamler, Esq., Hertz Schram, PC, 1760 S. Telegraph Road, Suite 300, Bloomfield Hills, MI 48302**; and (2) **Elizabeth Valentine, Assistant Attorney General, State of Michigan, Health Care Fraud Division, 2860 Eyde Parkway, East Lansing, MI 48823** with copies of this United States' Notice of Intervention and Federal Settlement and Request for Partial Dismissal and Proposed Order, by first class mail, postage prepaid, on this 12th day of April, 2012.

s/Julia A. Caroff
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